

1941
58 Agg
Reserve

NORTH CAROLINA



COOPERATIVE CROP REPORTING SERVICE

QUESTIONS PERTINENT TO THIS ISSUE

1. HOW MUCH INCREASE IS EXPECTED IN THE 1949 TURKEY CROP?
2. DID MILK PRODUCTION INCREASE BECAUSE OF MORE COWS ON FARMS?
3. DID THE RATE OF LAY INCREASE OR DECREASE IN JANUARY?
4. WHAT WAS THE TOTAL U. S. FARM INCOME IN 1948?
5. GIVE THE TOTAL ASSETS OF U.S. AGRICULTURE ON JANUARY 1, 1949?
6. HOW MUCH DID FARMERS' CASH ON HAND DECREASE DURING 1948?
7. HOW DO ECONOMIC PROSPECTS FOR 1949 COMPARE WITH 1948?
8. IS THE 1949 LATE SPRING CABBAGE ACREAGE EXPECTED TO EXCEED 1948?
9. IS THE ACREAGE OF STRAWBERRIES EXPECTED TO INCREASE THIS YEAR?
10. WHAT SUGGESTIONS DO YOU HAVE FOR IMPROVING THE FARM REPORT?

No. 31

RALEIGH, N. C.

FEBRUARY 15, 1949

FEBRUARY 1, 1949 GENERAL FARM REPORT

GENERAL SITUATION GOOD

The beginning of the second month in the New Year found most North Carolina farmers ahead or on schedule in their farming activities.

Temperatures during January were several degrees above normal, coupled with below average rainfall. Under these conditions, farmers have made better than the usual progress in completing seasonal farming activities.

Around the first of the month, farmers were busy cutting cotton, tobacco and corn stalks, cleaning ditch banks, cutting wood for curing tobacco, repairing buildings and machinery, planting tobacco beds, finishing corn harvesting, disking and breaking land, and generally preparing for the 1949 crop season.

Small grains are growing well and stands are better than usual. A large proportion of the small grain fields are being grazed which is further evidence of good stands and the attainment of better than average growth at this time of the year.

Generally, pastures were in good to excellent condition over most of the State.

Compared with last year, the supply of farm labor has increased over the State as a whole. Wage rates are higher than last year.

LARGER TURKEY CROP EXPECTED

Reports from turkey growers in North Carolina indicate that turkey production will be increased one-fourth in 1949 over 1948.

The preliminary report on 1948 production shows that 341,000 turkeys were raised in North Carolina. This compares with 379,000 in 1947 and the 1941-45 average production of 283,000.

The reasons given by turkey growers for intended increase all relate to higher turkey prices, which have strengthened as the season advanced and a considerable decrease in feed prices since the harvest last fall of a record crop of feed grains.

Turkey production in the United States in 1949 will also be increased 25 percent, if growers carry out their intentions as reported in January. U. S. production in 1948 is currently estimated as 31.7 million turkeys.

MILK PRODUCTION HIGHER

Milk production on farms in North Carolina during January is estimated at 115 million pounds, or 3 million pounds more than December. Production during January was the highest of record for that particular month. The previous January record was set in 1945 with a production of 110 million pounds.

In January of 1945 there were 380,000 milk cows on farms as compared with 353,000 during January of this year. Hence, milk production per cow was higher during January of this year since 5 million more pounds of milk were produced.

On February 1 milk production per cow in reporters' herds averaged 12.5 pounds per day, an increase of 1.7 pounds from February 1 of 1948. The feeding of grain and other concentrates averaged 5.6 pounds on February 1, 1949 as compared with 5.4 pounds on February 1 of last year. Abundant supplies of feed grains and a fairly favorable milk-feed price ratio encouraged a higher rate of feeding.

EGG PRODUCTION INCREASES

Layers on North Carolina farms produced a total of 69 million eggs during January. This compares with a production of 54 million in January of 1948 and 68 million in January of 1947.

The increase in total egg production is accounted for by an increase in the number of layers on farms and an increase in the rate of lay. In January of 1948 there were 7,564,000 layers on farms as compared with 7,725,000 during January of this year. The January 1949 rate of lay per 100 layers (hens and pullets of laying age) in all flocks was 899 eggs as compared with 713 eggs in January of 1948. Compared to January of last year, weather conditions were much more favorable this year.

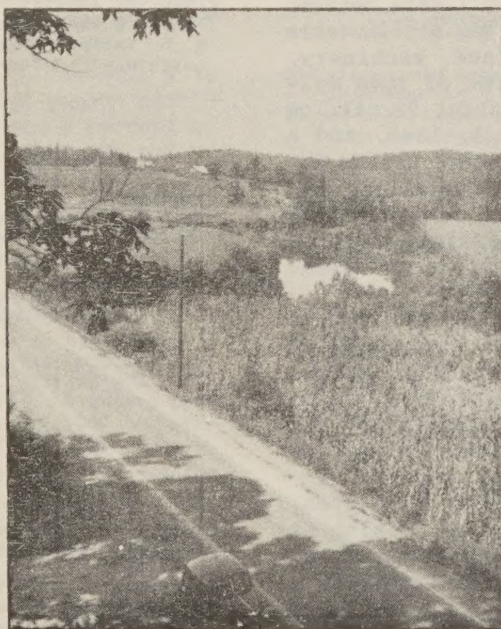
ANNUAL FARM CENSUS--RESOLUTIONS

In recognition of the value of the Annual Farm Census to the welfare of the people in North Carolina, the State Board of Agriculture, the Grange, and the U.S.D.A. Council have passed resolutions recommending that the Farm Census be reinstated on an annual basis rather than on the 5-year basis as it now stands.

Each resolution cites the need for ANNUAL County statistics during this period when additional crops are coming under quotas and rapid changes are being made in the pattern of agriculture.

Agricultural and urban leaders throughout the State have expressed sincere and keen interests in seeing the return of the Farm Census to the ANNUAL basis. Prior to action by the 1947 Legislature the Farm Census was taken annually, beginning in 1918 and ending in 1948.

CALDWELL COUNTY SCENE



This county diversifies with live-stock, grains, hays, fruits and vegetables.

FARMERS AND BUSINESS CONCERNS USUALLY TAKE AN ANNUAL INVENTORY OF THEIR BUSINESS. THIS IS DONE IN ORDER TO PLAN AHEAD AND MAKE ADJUSTMENTS WHERE AND WHEN NECESSARY. WE WISH TO SOLICIT YOUR HELP IN TAKING AN "INVENTORY" OF THE FARM REPORT. WRITE US YOUR FRANK OPINION OF THE FARM REPORT ANSWERING SUCH QUESTIONS AS: WHAT INFORMATION IS THE MOST HELPFUL TO YOU? WHAT INFORMATION IS THE LEAST HELPFUL TO YOU? WHAT INFORMATION SHOULD BE ADDED OR OMITTED? WRITE TODAY -- YOUR COMMENTS ARE IMPORTANT.

THE DEMAND AND PRICE SITUATION

Although economic activity continues at a high level, there has been some easing off from earlier records. Industrial production has slackened a little, partly reflecting reduced demand for some consumer goods. Unemployment rose more sharply from December to January than in any month since the end of the war. Employment, after a somewhat more than seasonal drop, was still higher than in January 1948.

Wholesale commodity prices continued to decline in January. Since mid-August the all-commodity index has dropped 6 percent with farm products down 12 percent and foods 15 percent. The index of non-agricultural commodities has been practically unchanged. The drop in retail prices generally has averaged 2 percent but retail food prices have declined about 6 percent.

Current declines in prices, production and employment are somewhat similar to those of early last year. From January to February 1948, wholesale prices dropped 4 percent, almost all of which was due to declines in farm products and foods. Consumer expenditures leveled off and unemployment was up. However, declines in prices and output were reversed in the spring of 1948 by the third round of wage increases and the reduction in income taxes, which increased consumer incomes and expenditures; and by large Government appropriations for National Defense and foreign aid.

While prospects do not point to the sort of upsurge that occurred last year, the high level of government expenditures is an important supporting element to the economy. The increase in government outlays projected in the President's Budget Message, if appropriated by Congress, will be large enough to maintain overall activity close to present levels even if private spending should decline moderately.

U. S. AGRICULTURE'S BALANCE SHEET, JANUARY 1, 1949

Assets of American agriculture totaled about 130 billion dollars at the beginning of 1949, according to preliminary estimates based on commodity price data through December 15 and dollar land values through November 1, 1948. About half of the 8 billion dollar increase from a year earlier resulted from the increased valuation of farm real estate. Another substantial part of the increase was accounted for by machinery and motor vehicles. The only major items that dropped in value were crops stored on and off farms, and bank deposits and currency held by farmers.

Of the 76 billion dollar increase in farm assets between 1940 and 1949, more than 50 billion dollars was attributable to higher prices for real estate, livestock, machinery, motor vehicles, and crops. Valued in terms of 1940 dollars, agricultural assets increased only about 22 billion dollars from January 1, 1940 to January 1, 1949, and a little over 2 billion dollars of that rise came during the past year. Total indebtedness of farm proprietors increased more than their assets during 1948, however, with the result that proprietors' equities declined for the first time since before the war. This decline is tentatively estimated at 168 million dollars.

Farmers' cash and bank deposits apparently went down in 1948 for the first time since before the war. Although the change was small, and partly offset by increased investments in U. S. savings bonds, it may indicate the start of a downward trend in farmers' holdings of liquid financial assets because farm costs are increasing faster than farm income.

Land values reached new peaks in all but 12 States. They declined only in California and Florida, owing at least in part to lower prices for citrus and truck crops. Elsewhere, declines in prices for grain and livestock by the end of the year seemed to be retarding the volume of sales and the rise in land prices.

Farm real estate debt is tentatively estimated at about \$5,140,000,000 on January 1, 1949. This is 260 million dollars higher than a year earlier, about 460 million dol-

lars above the low point on January 1, 1946, and the highest since 1944.

During 1948 loans held by Federal land banks declined from 889 million dollars to 879 million dollars; and loans held by the Federal Farm Mortgage Corporation declined from 107 million dollars to 80 million dollars. Both these declines are smaller than in 1947. Loans held by the Farmers' Home Administration declined to 189 million dollars on January 1, 1949--about the level of two years earlier. This excludes 2.9 million dollars' worth of mortgages insured under the FHA mortgage insurance program.

Declines in loans held by Federal or Federally sponsored agencies were more than offset by a 301 million dollar increase in loans held by life insurance companies, commercial banks, and "other lenders". The total on January 1, 1949 for life insurance companies was apparently more than a billion dollars, and that for commercial banks approximately 880 million dollars.

Non-real estate debt owed to principal institutions (excluding loans held or guaranteed by the Commodity Credit Corporation) rose about two-thirds in the past three years, from 1.7 billion dollars to 2.8 billion dollars. This is attributed to the sharp rise in farm production costs, to increased farm construction, and to increased purchases of farm machinery.

Detailed comparisons are shown in the table below. These estimates for 1949 are preliminary. Revised estimates will not be available until mid-summer.

BALANCE SHEET OF AGRICULTURE: PRELIMINARY ESTIMATES FOR JANUARY 1, 1949 AND COMPARISON WITH ESTIMATES FOR JANUARY 1, 1940 AND 1948 ^{1/}

ITEM	JAN. 1, 1940 (BALANCE SHEET)	JAN. 1, 1948 (BALANCE SHEET)	JAN. 1, 1949 (PRELIMINARY ESTIMATES)
	MILLION DOLLARS	MILLION DOLLARS	MILLION DOLLARS
ASSETS			
PHYSICAL ASSETS:			
REAL ESTATE	33,642	62,813	66,900
NON-REAL ESTATE:			
LIVESTOCK	5,133	13,451	14,600
MACHINERY AND MOTOR VEHICLES	3,135	9,174	12,000
CROPS, STORED ON AND OFF FARMS 2/.....	2,645	8,830	8,500
HOUSEHOLD EQUIPMENT 3/....	4,275	5,415	6,000
FINANCIAL ASSETS:			
DEPOSITS AND CURRENCY.....	3,900	15,600	15,200
U. S. SAVINGS BONDS	249	4,745	5,000
INVESTMENT IN COOPERATIVES.	826	1,916	2,125
TOTAL	53,805	121,944	130,325
CLAIMS			
LIABILITIES:			
REAL ESTATE MORTGAGES.....	6,586	4,882	5,140
NON-REAL-ESTATE DEBT:			
TO PRINCIPAL INSTITUTIONS:			
EXCLUDING LOANS HELD OR GUARANTEED BY COMMODITY CREDIT CORPORATION.	1,538	2,302	2,800
LOANS HELD OR GUARANTEED BY COMMODITY CREDIT CORPORATION.....	445	81	1,120
TO OTHERS 4/.....	1,455	1,800	2,200
TOTAL.....	10,024	9,065	11,260
PROPRIETORS' EQUITIES.....	43,781	112,879	119,065
TOTAL.....	53,805	121,944	130,325

- ^{1/} The margin of error of the estimates varies with the items.
- ^{2/} Includes all crops held on farms and crops held in bonded warehouses as security for Commodity Credit Corporation loans.
- ^{3/} Estimated valuation for 1940 plus purchases minus depreciation.
- ^{4/} Tentative. Includes individuals, merchants, dealers, and other miscellaneous lenders.

TRENDS IN FRUIT ACREAGES

The land devoted to fruit crops of bearing age in North Carolina has decreased in recent years as will be noted in the table below.

Among individual fruit crops, pears showed the highest proportionate decrease since 1934. The highest gross decrease occurred in land devoted to apples, with almost all of the decrease coming from non-commercial orchards. The bearing acreage of peaches was the highest in 1946 of any year since 1919. In 1924, the bearing acreage of peaches was reported as 36.7 thousands.

The bearing acreage of grapes has shown little change in recent years.

The production of fruits has not followed the same trend as acreage. This is due to the fact that improved cultural practices, increased use of fertilizer and improved control of insects and diseases have increased yields sufficiently to offset the decrease in acreage.

BEARING ACREAGE OF FRUITS, NORTH CAROLINA, 1934-1946

YEAR	APPLES			GRAPES	PEACHES	PEARS
	TOTAL BEARING ACREAGE	TOTAL COMMERCIAL ACREAGE	NON-COMMERCIAL ACREAGE	BEARING ACREAGE	BEARING ACREAGE	BEARING ACREAGE
	(000)	(000)	(000)	(000)	(000)	(000)
1934	70.0	19.3	50.7	3.3	28.6	4.5
1935	68.2	19.3	48.9	3.3	28.2	4.5
1936	67.2	19.1	48.1	3.2	28.2	4.4
1937	66.1	19.2	46.9	3.1	28.2	4.4
1938	64.7	19.0	45.7	2.9	28.7	4.4
1939	64.1	18.9	45.2	2.8	29.3	4.3
1940	63.7	18.9	44.8	2.9	29.6	4.2
1941	62.0	18.9	43.1	3.0	30.6	4.1
1942	60.3	18.9	41.4	3.0	32.4	3.9
1943	58.1	18.9	39.2	3.1	33.5	3.7
1944	57.3	18.9	38.4	3.2	35.8	3.5
1945	56.2	18.7	37.5	3.2	36.9	3.5
1946	56.1	18.7	37.4	3.2	37.5	3.5

STORM LOSSES OF LIVESTOCK TO FEBRUARY 1

Approximately 81,000 cattle and calves and 97,000 sheep and lambs had perished up to February 1 as a result of severe snowstorms and blizzards in affected areas of 4 States -- South Dakota, Nebraska, Wyoming, and Colorado. The first survey on death losses in these States resulting from the January storms revealed that additional losses were expected and that heavy shrinkage in weight for both cattle and sheep was widespread. Severe storms, high winds, and low temperatures have continued over much of this area since February 1.

The death losses to cattle and calves by February 1 in the area surveyed amounted to about 2 percent of the cattle and calves on hand January 1 and a little over 5 percent of the stock sheep. Death losses of other livestock and of poultry were relatively light compared with cattle and sheep although in individual cases losses were excessive. In general, the area is not very important in the production of hogs and poultry.

U. S. FARM INCOME IN 1948 DECREASES

Farm operators in the United States realized net incomes tentatively estimated at 17.4 billion dollars in 1948. The decline from 17.8 billion dollars net income in 1947 amounted to more than 2 percent, and was the first drop in 10 years.

Net income of farm operators includes the value of crops and livestock sold, placed under Government loans, or used in the farm home during the year, plus Government payments to farmers and the rental value of farm homes, and minus production expenses. It does not include the value of net changes in farm inventories of crops and livestock from the beginning to the end of the year. Gross farm income rose to a new record high in 1948, but production expenses increased even more.

Net income from farming to all persons on farms increased again in 1948. This includes wages paid hired farm workers living on farms and an adjustment for net changes in inventory, in addition to the realized net income of farm operators. However, the prices farmers had to pay for family living and maintenance were the highest on record in 1948; and, in terms of what it would buy, net income from farming of all persons living on farms was the lowest since 1941.

Average net income from farming per person on farms was \$716 in 1948, or 6 percent more than the 1947 average. Such preliminary data as are available indicate income to persons on farms from nonfarm sources in 1948 averaged about \$193 per person, or 8 percent more than in 1947. This estimate is based in part on the change in nonfarm wage rates. Per capita income of farm rates. Per capita income of farm people from both sources combined rose 7 percent during the year, to \$909. This compares with an average of \$1,569 for nonfarm people from all sources, which was 8 percent higher than in 1947. Many individuals, of course, received much more or much less than the national averages.

Income estimates in the table below are all preliminary; but it is not expected that there will be enough additional data to allow any substantial revisions until June or later.

FARM INCOME AND FARM PRODUCTION EXPENSES
UNITED STATES AVERAGE 1935²39,
ANNUAL 1947 AND 1948 1/

ITEM	1935-39 AVERAGE	1947	1948 1/
	MILLION DOLLARS	MILLION DOLLARS	MILLION DOLLARS
CASH RECEIPTS FROM FARM			
MARKETINGS.....	7,982	30,186	31,019
GOV'T. PAYMENTS TO FARMERS.....	503	314	293
HOME CONSUMPTION OF			
FARM PRODUCTS.....	1,327	3,105	3,123
RENTAL VALUE OF FARM DWELLINGS.....	622	1,100	1,162
GROSS FARM INCOME	10,434	34,705	35,597
FARM PRODUCTION EXPENSES.....	5,651	16,874	18,169
FARM OPERATORS REALIZED			
NET INCOME.....	4,783	17,831	17,428
NET CHANGE IN FARM INVENTORIES ^{2/}	- 6	- 1,235	- 94
FARM WAGES TO LABORERS ON FARMS	661	1,952	2,113
NET INCOME OF PERSONS ON FARMS			
FROM FARMING.....	5,450	18,548	19,635
INCOME OF FARM POPULATION			
FROM NON-FARM SOURCES.....	2,090	4,900	5,300
INCOME OF FARM POPULATION,			
ALL SOURCES.....	7,540	23,448	24,935
INCOME OF NON-FARM POPU-			
LATION ^{3/}	58,779	167,351	185,125
TOTAL NATIONAL INCOME ^{3/}	66,319	190,799	210,060
	DOLLARS	DOLLARS	DOLLARS
NET INCOME PER PERSON ON FARMS			
FROM FARMING.....	176	673	716
INCOME PER PERSON ON FARMS			
FROM NONAGRICULTURAL SOURCES	67	178	193
INCOME PER PERSON ON FARMS			
FROM ALL SOURCES.....	243	851	909
INCOME PER PERSON NOT ON FARMS...	603	1,431	1,569

1/ Government payments are included; data for 1948 are preliminary.

2/ The net change in farm inventories shown in this table for 1948 differs from the net change, 1948-49, in valuation of crops and livestock shown in the "Balance Sheet of Agriculture," as follows: (1) The net change in inventory (this table) includes crops held for sale on farms; the "balance sheet" table includes all crops stored on or off farms, including crops stored in bonded warehouses as security for Commodity Credit Corporation loans. (2) The net change in farm inventories is the physical volume of crops and livestock for sale, on hand at the end of the year minus the physical volume at the beginning of the year, with the change in physical volume valued at year-end prices; the "balance sheet" change in valuation is the value of all crops and livestock at the end of the year minus the value of all crops and livestock at the beginning of the year.

3/ This is the series on national income used in the determination of income parity for agriculture. It is based on Department of Commerce estimates of non-agricultural income, after appropriate adjustments to improve their comparability with farm income.

FARM REPORT

UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Raleigh, N. C.

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE \$300
(PMGC)

OFFICIAL BUSINESS

FORM BAE-2-49-7,500
PERMIT No. 1001

Released By The
UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
W. F. Callander, Assistant Chief
and published by the
NORTH CAROLINA DEPARTMENT OF AGRICULTURE
Division of Statistics
L.Y. Ballentine, Commissioner of Agriculture

Issued Semi-Monthly Through The
Crop Reporting Service at Raleigh
Frank Parker, Statistician in Charge

PRIMARILY FOR DISTRIBUTION TO
CROP REPORTERS AND AGRICULTURAL LEADERS

INFORMATION DIRECT FROM FARMERS
AND OTHER LOCAL SOURCES

U. S. DEPT. OF AGRICULTURE LIBRARY
WASHINGTON 25, D. C.

FEBRUARY 1949

FARM REPORT

PAGE 4

PROSPECTIVE LATE SPRING CABBAGE ACREAGE

North Carolina growers report intentions to plant 2,000 acres of cabbage for harvest in late spring 1949. If these intentions are carried out the late spring cabbage acreage will be the same as last year, but 380 acres above the 10-year average.

Conditions were favorable for setting the crop in this State. The weather during January was unusually mild, and early-set plants have grown rapidly. Stands are better than average and plant development is far ahead of schedule, however, weather conditions have favored an early outbreak of cut worms in some localities.

The total prospective acreage for the 8 late spring states is 80 acres above last year and 40 acres above the 10-year average. The acreage for each of the late spring states is shown in the table below.

PROSPECTIVE LATE SPRING CABBAGE ACREAGE

STATE	ACREAGE		
	10-YEAR AVERAGE 1938-47	1948	PROSPECTIVE 1949
N. CAROLINA.....	1,620	2,000	2,000
VIRGINIA.....	1,960	1,500	1,500
MARYLAND.....	1,620	1,300	1,300
TENNESSEE.....	3,240	3,500	3,500
KENTUCKY.....	280	300	270
OHIO, S. E.....	470	550	530
MISSOURI.....	1,150	1,000	1,000
WASHINGTON.....	510	650	780
TOTAL LATE SPRING.....	10,840	10,800	10,880

STRAWBERRY PROSPECTS

The total acreage of strawberries for harvest in North Carolina this spring is indicated at 2,400 acres. This is 100 acres more than was harvested last year, but 1,710 acres less than the 10-year average.

Strawberry acreage in Louisiana, which is among the early spring producing states, is indicated at 21,800 acres, or 2,800 acres more than 1948. The total acreage of strawberries for harvest in the United States is indicated as 127,170 which is 6,230 acres greater than last year.

WEATHER SUMMARY FOR JANUARY, 1949

This was one of the three warmest Januarys since the Weather Bureau started its records in the State. Except for cool weather at the beginning and end of the month, an unbroken period of unusually warm weather prevailed over the State. Temperatures were in the upper 60's or 70's on at least 10 days during the month in the east and central portions, while freezing temperatures were experienced on only 6 days or less. In the western section mild temperatures of 50 or higher were recorded on at least half of the days in the month. Rainfall was ample over the State and quite well distributed throughout the month. The heaviest rainfall occurred on the 5th and 6th, when from 1 to 2 inches fell in most of the west and central portions of the State.

Prices for most fruits this winter probably will stay higher than a year ago.

Estimated hog slaughter during 1948 was 60 million head, 3 percent less than the 61.9 head slaughtered in 1947.

A total of 30.4 million cattle and calves were slaughtered in 1948, a decline of 12 percent from a year before.

Farmers produced 10 percent more certified seed potatoes last year than the previous record crop of 1947.

NORTH CAROLINA
INCHES OF RAINFALL
DURING JANUARY, 1949

